THE HONOURABLE SHRI JUSTICE R.SUBHASH REDDY

WRIT PETITION No. 7248 OF 2007

Dated 25th October, 2007

Between:

Margadarsi Sankshema Sangham,
Mahanthipuram, Vijayawada.

… Petitioner.

And

Krishna District S.C.Services Cooperative Society Ltd., represented by its Executive Director, Machilipatnam, Krishna District and another.

…Respondents.

ORAL ORDER:

The petitioner, Margadarsi Sankshema Sangham, filed this writ petition seeking a declaration that the action of the respondents in not renewing the lease of Room No.32 of NTR Complex of Vijayawada under the Sanitary Mart Programme launched by the government of A.P. is illegal and arbitrary.

The second respondent constructed a complex named as Dr.NTR Shopping Complex at Vijayawada. Pursuant to the request of the first respondent for allotment of two shops in the said complex, shops bearing Nos. 27 and 32 were allotted to it. Thereafter, on representation of the petitioner-Sangham, the first respondent allotted shop No.32 to it, initially, for a period of three years from 1.1.2001 to 31.12.2003 on a monthly rent fixed by the second respondent. Subsequently, at the request of the first respondent, the second respondent permitted the petitioner to continue in possession and enjoyment of Shop No.32 by accepting the rent in the name of the first respondent. The period of lease granted to the first respondent expired on 31.12.2006. When the petitioner made a request to the 2nd respondent for renewal of the lease, no action has been taken. Aggrieved thereby, the petitioner filed this writ petition.

It is the case of the petitioner that as much as the first respondent-society belongs to weaker sections, the second respondent is under obligation to extend the period of lease, as the Sanitary Mart Programme launched by the Government is still in operation.

In the counter affidavit, it is stated that there is no privity of contract between the second respondent and the petitioner, and, as

such, no right has been conferred on the petitioner to seek extension of the lease, which was granted to the first respondent. But, however, it is stated that the extension of lease in favour of the first respondent is under consideration before the Standing Committee of the second respondent-Municipal Corporation.

Undisputedly, the property, which was leased out belongs to second respondent and lease was granted in favour of first respondent-society. In the absence of any contract between the petitioner and the second respondent-Municipal Corporation, which is the owner of the building, the petitioner-society cannot seek directions by way of mandamus for renewal of lease. It is for the second respondent to consider the extension of lease granted earlier to the first respondent. As much as it is stated in the counter affidavit that the proposals for extension of lease is under consideration by the Standing Committee of the second respondent-Corporation, I dispose of the writ petition keeping it open to the Standing Committee or the second respondent-Corporation to take a decision for extension of lease with regard to Shop Nos. 27 and 32 of Dr.NTR Commercial Complex, at Vijayawada. However, I direct the respondents not to take any steps for eviction of the petitioner from Shop No.32, till appropriate decision is taken with regard to extension, subject, however, to the petitioner paying the rents as fixed by the respondents. It is made clear that after taking decision by the Standing Committee, it is open for the second respondent to take steps in accordance with law.

Subject to above direction, the writ petition is disposed of. No costs.

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25-10-2007 **R.SUBHASH REDDY, J.**

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